

PERSONNEL DEPARTMENT

DEPARTMENT MISSION STATEMENT:

Serving our customers with a collaborative approach that addresses their needs with innovative, flexible, and cost-effective solutions delivered with integrity, fairness, and discretion.

The Personnel Department is a customer service oriented provider of human resources, development and training, labor relations, and risk management services. Customers include City departments, their employees, and the public. The Department's goal is to support City departments in their provision of essential City services and to serve our customers in a cost-effective manner that meets or exceeds their expectations.

KEY RESULT AREAS:

Key Result Area: Customer Service

Goal: 90 percent of customers choose our services if given the choice by June 30, 2006.

The Personnel Department provides exceptional customer/employee services to those seeking personnel or civil service assistance, benefits information, and education. This ensures an exciting, rewarding, and quality workplace. Our "provider of choice" services are designed to attract, develop, and retain the quality of workforce this City requires to maintain its status as "best of class." These services include timely and department-responsive recruitment and examination services; employee-relevant new employee orientation; and hands on "know-your-benefits" training. In FY 2005, the Department will conduct more than 150 recruitments/exams, and twenty-four or more Civil Service meetings. In addition, 20 or more classification and pay studies will be conducted reflecting the value the Department places on properly compensating our workforce.

Resources: Within existing appropriations

Goal: 80 percent of customers refer to our services as "best of class" by June 30, 2006.

The Personnel Department provides "best of class" services through innovative, break through approaches to processes that need to be taken to a new level. Personnel Department staff provide critical support to the Mayor's Labor Management Task Force (LMTF) with the goal of changing our labor-management paradigm. Approximately 20 LMTF meetings and sub-committee meetings will be conducted to review employee surveys, update the LMTF website, and develop a first-ever LMTF newsletter. The Department provides grant administration for the Federal Mediation and Conciliation Services (FMCS) Labor-Management Cooperation Program grant. In FY 2005, these resources will be used to continue the labor-management FMCS labor relations training for additional bargaining units, management, and Department Labor Relations liaisons. This new resource will accelerate cultural change within the City's labor-management paradigm. FY 2005 special projects will include the City's United Way Campaign, The Pacific Institute (TPI) team building activities, and collaborative projects with other agencies embracing similar goals. The attainment of these Citywide goals will enhance our stature in the community, the state, and the nation.

Resources: Included in appropriations - \$34,500

Goal: Our fully-burdened pricing is in the lowest quartile of our market sector by June 30, 2006.

The Personnel Department provides regular analysis of its services and their cost-competitiveness with the market and other peer agencies. A key service provided Citywide is the aggressive management of some of the key "cost" issues confronting the departments and their cost of doing business; such as workers' compensation and risk management issues. The "Push Up Safety" program has enabled the Department to focus on safety training issues and will continue to have positive impact upon employee injury rates in FY 2005. Emphasis is placed on the cost-effective management of all workers' compensation, liability, and property claims against the City. The selection of a new Third Party Administrator (TPA) has enabled the Department to effectively manage program costs via monthly reporting and exception identification. Potential losses are aggressively managed through the purchase of insurance, self insuring, and the transfer of risk of loss to other third-parties. In addition, the Department will promote safety via training and educational programs to reduce injuries; ensure compliance with State and Federally mandated programs; and continue effective claims management.

PERSONNEL DEPARTMENT - Continued

Resources: Included in appropriations - \$200,000

Goal: Annual customer education is implemented by June 30, 2005.

The Personnel Department is facilitating and participating in a Citywide, high performance training through The Pacific Institute's (TPI) Imagine 21 training. Additional facilitator training/certification will be provided. In FY 2005, three new classes of 30 facilitators will be trained and in turn train another 500 employees (1,500 total). TPI training will empower the City's employees to personally and professionally thrive in a change environment while setting and achieving successively higher levels of personal and professional goals. TPI will accelerate the City's journey to "best of class." The estimated completion of the all-employee rollout training is FY 2006. The Personnel Department also serves as internal change management consultants for the City's departments and educates their customers through the Department's Customer Service Brochure, Annual Report, and "Up Close and Personnel" newsletters. These services lead to greater employee satisfaction and retention, thereby contributing toward other Key Result Area (KRA) goals.

Resources: Within existing appropriations

Goal: Customer Needs Assessment is conducted bi-annually by June 30, 2005.

The Personnel Department continues to measure internal customer satisfaction through their annual client satisfaction survey with a goal of achieving 90 percent or greater of those surveyed rating the Department services as good to excellent. This survey enables the Department to improve services and efficiencies while better supporting the Department's own customer satisfaction objectives.

Resources: Included in appropriations - \$600

Key Results Area: Employee Relations

Goal: 70 percent of the workforce refers the City to friends and family as a rewarding place of employment by June 30, 2007.

The Personnel Department will continue implementation of its' new streamlined organization that was developed in FY 2004 to improve communication, increase operational effectiveness, and strengthen service delivery. The flatter organizational structure has reduced layers of management.

The Department's Citywide rollout of the TPI Imagine 21 high performance training will set the City apart from other cities throughout the nation, making it a rewarding place of employment.

Resources: Within existing appropriations

Goal: 100 percent of the workforce understand their role to improve the City by June 30, 2006.

The Personnel Department anticipates that nearly one-fourth of City employees will be TPI trained by June 30, 2004, and that the remainder of employees will have been trained by June 30, 2006.

The Department's Labor Relations Division provides support and advice to all City departments and divisions in the negotiation and administration of 11 labor agreements and timely turn around of employee grievances with an emphasis on resolving 95 percent at the department level. The Personnel Department provides additional services including labor policy consultation and training, unit determination and elections, bilingual certification, salary and benefit analysis, and surveys.

Resources: Within existing appropriations

Goal: 100 percent of the workforce has the opportunity to meet with their Directors and Assistant Directors in a safe, open setting semi-annually by June 30, 2005.

The Personnel Department will continue "All Hands On Deck" meetings on a quarterly basis to provide the opportunity for a key topic briefing and the opportunity for a two-way exchange between employees and Director.

Resources: Within existing appropriations

Goal: Employee needs assessment is conducted bi-annually by June 30, 2005.

The Personnel Department will conduct a Department-wide needs assessment of staff. Consistent with the objective of providing consultant services City-wide, Personnel will assist other departments with their assessments as required.

Resources: Within existing appropriations

Key Result Area: "One Fresno"

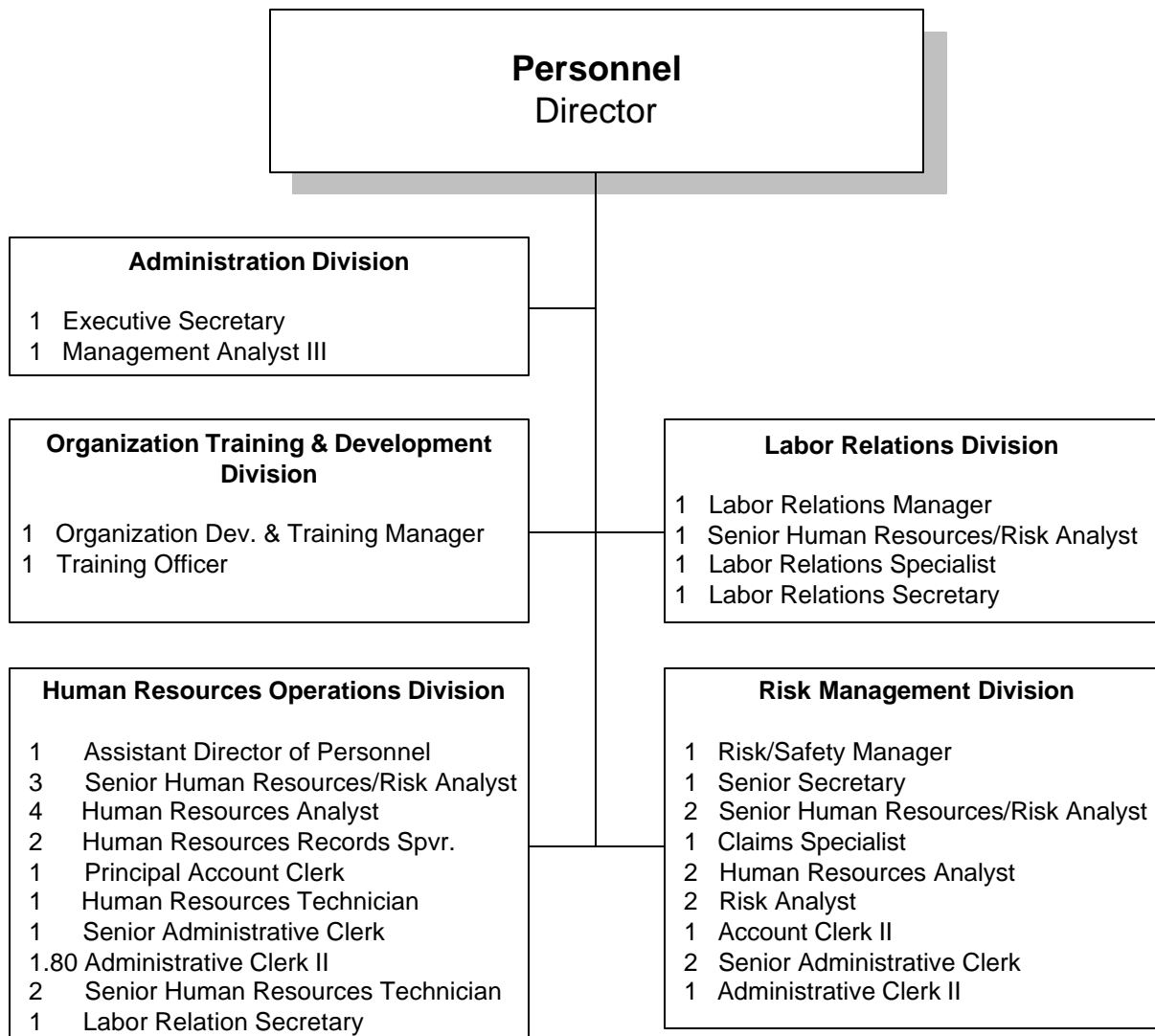
Goal: Contracts exists with all community institutions by December 31, 2005 to insure equal access for all residents to education, housing and employment.

The Personnel Department exemplifies the Mayor's Vision of providing equal access to employment with the City of Fresno through their outreach efforts. These efforts are supported through collaborative relationships with other community organizations such as Fresno City College, Cesar Chavez Adult School, and Fresno State University. In FY 2005, the Department is implementing a community-wide outreach effort directed through non-traditional recruitment tools.

Resources: Included in appropriations \$15,800



ORGANIZATION CHART - FY 2005



39.00	Permanent Full-Time Equivalent Positions
0.80	Permanent Intermittent Full-Time Equivalent Positions
<u>39.80</u>	Authorized Positions

AUTHORIZED POSITION SUMMARY

DIVISION	FY 2003	FY 2004	FY 2005
Human Resources Administration Division	4.00	4.00	3.00
Organization Development & Training Division	2.00	2.00	2.00
Human Resources Operations Division	16.00	16.80	17.80
Labor Relations Division	4.00	4.00	4.00
Risk Management Division	9.00	9.00	9.00
Loss Control Division	5.00	4.00	4.00
TOTAL	40.00	39.80	39.80

DEPARTMENT FUNDING BY SOURCE

Fund	FY 2002 Actuals	FY 2003 Actuals	FY 2004 Amended	FY 2005 Adopted
Human Resources Mgmt ISF	\$ 1,920,900	\$ 3,216,100	\$ 3,345,700	\$ 3,511,000
Misc Federal Grants -Personnel	0	0	70,800	34,500
Risk Management	12,216,300	10,087,300	9,470,300	11,538,700
Workers' Compensation	10,486,100	9,303,700	10,477,800	12,946,100
Unemployment Insurance	483,200	845,900	670,100	973,400
TOTAL \$	25,106,500	23,453,000	24,034,700	29,003,700

DEPARTMENT SUMMARY APPROPRIATIONS

Expenditures	FY 2002 Actuals	FY 2003 Actuals	FY 2004 Amended	FY 2005 Adopted
Human Resource Mgmt:				
Administration	\$ 0	\$ 355,000	\$ 487,600	\$ 430,900
Organization Dev. & Training	0	328,100	349,400	378,200
Human Resources Operations	1,206,700	1,454,400	1,386,300	1,566,700
Labor Relations	425,600	490,400	465,700	487,700
Loss Control	387,700	471,100	410,900	441,600
Total Human Resource Mgmt	2,020,000	3,099,000	3,099,900	3,305,100
Risk Management	8,776,300	5,644,500	9,470,200	10,797,300
Workers' Compensation	7,947,900	9,014,000	10,477,800	12,262,400
Unemployment Insurance	244,400	425,600	670,100	680,600
Total "Other" Personnel Functions	16,968,600	15,084,100	20,618,100	23,740,300
TOTAL \$	18,988,600	\$18,183,100	\$ 23,718,000	\$ 27,045,400

BUDGET COMMENTS

Interdepartmental Charges: The Department's adopted budget for FY 2005 fully funds increases in interdepartmental (ID) charges and worker's compensation insurance.

ACCOMPLISHMENTS:**Administration Division**

- Provided on-going support to the Mayor's LMTF in the form of research, special projects, and a \$70,800 FMCS Labor-Management Cooperation grant. This grant was one of the only FMCS grants awarded from the 80 applications submitted.
- Prepared and implemented an aggressive grant work program for the LMTF. This program includes two segments of training. The first segment will be provided by TPI and the second segment will consist of a customized on-site program provided by the FMCS Institute for Conflict Management. Both segments are funded through the FMCS grant.
- Developed a Teleworking Module for Team Clean Air that the Air Pollution Control Board considers to be state-of-the-art for local governments. At the Board's request, the Department's Teleworking Module has been presented at their regional and state conferences.
- Developed the Department's first-ever Personnel Handbook to improve communications with customers.
- Provided on-going support in the Citywide rollout of TPI training for City employees.

Human Resources Operations Division

- Revamped the new employee orientation program to enhance the quality and delivery of information to new employees.
- Increased participation in the City's spending account program of the Flexible Benefits Plan by 70 percent, enhancing employee satisfaction with City benefits.
- Streamlined processes for recruitment and examination by upgrading on-line applications and the Sigma data-entry system. Continued to reduce the number of days for recruitments through innovative approaches to streamline the process. Developed new testing and outreach processes aimed at customer satisfaction of City departments.
- Provided quarterly planning meetings with departments to be pro-active in recruitment and classification issues. Trained payroll staff Citywide on the proper method for completion of Employee Action Forms (EAF). Processed 7,500 applications, 100 recruitments, and 200 new employees. Responded to an average 1,100 front counter phone calls and 900 walk-ins per month. This resulted in a 97 percent customer satisfaction rating in timeliness and professionalism of service.
- Updated over 40 job specifications, reduced the number of classes without job specifications, and implemented a new specification format beginning with all management level job specifications. Completed 25 classification studies.

Risk Management Division

- Developed and distributed a new Drug/Alcohol Testing Policy based on the Federal "Best Practices" Guidelines.
- Published a revised Family Medical Leave Act (FMLA)/California Family Rights Act (CFRA) Handbook and made it available via e-mail to assist managers and employees with understanding the law and filing practices.

PERSONNEL DEPARTMENT - Continued

- Modified liability claim reserving practices to more accurately reflect the total anticipated impact to the City budget.
- Through the request for proposal process, the Division evaluated and entered into contracts with two new outside providers for Workers' Compensation administration and medical services. This resulted in improved customer service at competitive prevailing rates.
- Implemented an improved liaison with the City Attorney's Office to evaluate the City's liability exposure, claim evaluation practices, and settlement strategy.

Labor Relations Division

- Successfully completed negotiations with Fresno Police Officers Association (FPOA) which included an innovative formula that ties future salaries to increases in City revenue.
- As a result of the Early Intervention Program, 95 percent of grievances filed were resolved without arbitration, exceeding the International City/County Management Association (ICMA) standard of 66.6 percent for comparable jurisdictions.
- Responded to approximately 100 requests for management to meet and confer, unit determinations, and department reorganizations, including the transition of Convention Center management to SMG.
- Completed the implementation of a uniform attendance policy which has already resulted in efficiency improvements and productivity savings to several departments.
- In support of the Mayor's clean air initiative, the Division authored a report on alternative work schedules and facilitated the launching of the City's "Fly to Work, Fly Home" Program.

Organization Training and Development Division

- Oversaw the Citywide rollout of TPI Imagine 21 training. This included the training and certification of 21 City trainers to provide cost-effective training of more than 1,000 employees.
- Provided an in-depth understanding of the City's commitment to a respectful workplace through the presentation of the City's Discrimination and Harassment policies during 100 percent of the new employee orientations.
- Developed and implemented employee satisfaction surveys to measure the customer satisfaction of the Department's customers.
- Developed a first-ever Personnel Department Annual Report, to improve customer communication and satisfaction. This report was distributed to City departments, the City Council, and the Mayor.

SERVICE IMPACTS:

- **Risk Management:** For FY 2005, appropriations for the Property and Liability Fund reflect an increase of \$1.3 million. This increase is specifically attributable to increased insurance premiums and the anticipated claims payout for FY 2005.
Cost: \$1.3 million
- **Workers' Compensation:** For FY 2005, appropriations for the Workers' Compensation Fund reflect an increase of approximately \$2.5 million. This increase is specifically attributable to increased third party administrator costs, insurance premiums, and the anticipated claims payout for FY 2005.

Workers' compensation claims costs are anticipated to be approximately \$9.7 million by the end of FY 2004. Based on the FY 2004 estimated claims amount, the Department is anticipating the cost for claims in FY 2005 to grow to \$10.7 million. This \$1 million increase is due primarily to escalating medical costs, mandated increases in temporary disability benefits (i.e., indemnity payments), and legal costs.
Cost: \$2.5 million

- **New Third Party Administrator:** In December 2003, the City of Fresno entered into a three-year contract with American All-Risk Loss Administrators (AARLA) to act as a third party administrator for the City's self-insured Workers' Compensation program. This change in administrators is anticipated to result in cost savings through improved claims management, better data generation and information systems, and a higher degree of medical cost control measures.
Cost: \$200,000
- **Workstation and Scanner:** A workstation and scanner have been included in the FY 2005 adopted budget to facilitate job application entry and exam scoring. This equipment will also allow for a greater level of efficiency in the storage and retrieval of personnel records and documents.
Cost: \$6,500

